

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: January 18, 2008

Bill Number: H. B. 4473

Author: Gullick

Committee Requesting Impact: House E&PW

Bill Summary

A bill to amend Section [56-3-8800](#), as amended, Code of Laws of South Carolina, 1976, relating to the issuance of World War II special license plates, so as to delete the provision that requires a person who is issued the license to be assessed a special biennial fee of twenty dollars.

REVENUE IMPACT ^{1/}

This bill is expected to reduce funds allocated to the Department of Education (DOE) by \$4,838 and to the Department of Motor Vehicles (DMV) by \$1,202 in FY 2008-09. It would have no impact on state General Fund revenue.

Explanation

This bill eliminates the special fee of \$20 that is assessed on a World War II license tag, which is in addition to the regular biennial registration fee (auto, \$20-\$24, based on age; light-duty truck, \$30). A war veteran and his/her spouse may be issued a "WW" series plate for vehicles registered in their names. All special fee proceeds, net of DMV costs under Section 56-3-8100 (C), now go to the State Department of Education (DOE) to support and promote ROTC programs in public schools of this State.

This plate was authorized in June 2006. According to the DMV, a total of 302 registrations were active as of May 1, 2007. Since it takes over six months to produce and issue a new plate, all these plates would be renewable in FY 2008-09. Multiplying \$20 times 302 plates yields a minimum loss of \$6,040 in FY 2008-09. Of this total, DMV cost allocations would be reduced by \$1,202, based on a rate of \$3.98 per renewal; whereas DOE allocations would be reduced by the balance of \$4,838, based on a rate of \$16.02 per renewal. This bill, therefore, is expected to reduce agency earmarked funds of the DMV by \$1,202 and of the DOE by \$4,838 in FY 2008-09. Since no proceeds currently go to the state General Fund, this bill would have no impact on General Fund revenue in FY 2008-09.

Analyst: Di Biase

/s/ William C. Gillespie
William C. Gillespie, Ph.D.
Chief Economist

^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).